

MINUTES OF MEETING OF THE BOARD OF PUBLIC WORKS, SEPTEMBER 29, 1941

A Special Meeting of the Board of Public Works was held this date, with the following members present:

Herbert R. O'Connor, Governor  
J. Millard Tawes, Comptroller of the State of Maryland  
Hooper S. Miles, Treasurer of the State of Maryland.

STATE ROADS COMMISSION:

At this meeting the following matter was considered:

WHEREAS, Chapter 884 of the Acts of the General Assembly of Maryland, of 1941, authorized the State Roads Commission to provide, by Resolution, for the issuance of Refunding and Improvement Bonds, in the aggregate principal amount not to exceed \$11,000,000, and to apply the proceeds therefrom to those purposes set forth in said Act, and

WHEREAS, The Commission, by its Resolution of September 18, 1941, did authorize the issuance of \$9,000,000 aggregate principal amount of Bonds, as part of the authorized issue of \$11,000,000, and by its Resolution of that Date, did further authorize the redemption and retirement of \$4,980,000 of State Roads Commission of Maryland Refunding Bonds due serially November 1, 1941 to 1951, now outstanding, all of the State Roads Commission of Maryland Refunding Bonds of 1938 having been issued pursuant to the provisions of Sections 141 to 147, both inclusive, of Article 89B of the Code of Public General Laws as enacted by Chapter 355, Acts of 1937, and

WHEREAS, The Act of 1941 authorizing the Commission to issue \$11,000,000 of Refunding and Improvement Bonds, provides for the levy of an annual tax sufficient to pay the principal of and the interest on the bonds as they fall due, said annual tax to consist of such part of the license fees and franchise taxes with respect to trucks and commercial vehicles, and such part of one and four-tenths mills of the 2¢ Gasoline Tax as shall be necessary to pay the principal and interest of such Refunding and Improvement Bonds as same shall fall due, and to provide for the creation and maintenance of a Reserve Fund at all times of not less than 7% of face value of issued and outstanding bonds, which annual tax, as derived from the above mentioned license fees and franchise taxes shall amount to not less than \$800,000 per year, and as derived from the above mentioned part of the gasoline tax shall amount to not less than \$280,000 per year, and further provides that such annual taxes shall not be repealed, diminished or applied to any other object until the principal and interest of such Refunding and Improvement Bonds shall be fully paid or provision made for their payment, and

WHEREAS, The Budget Appropriation Bill, Chapter 938, of 1941, and applicable to the Biennium of 1942-1943, however, makes no provision for the debt service on State Roads Commission of Maryland Refunding and Improvement Bonds, or for the creation of the Reserve Fund, except that it does, as hereinbefore referred to, dedicate 100% of income from truck license fees and franchise taxes and 100% of the one and four-tenths mills of the 2¢ Gasoline Tax to service State Roads Commission of Maryland Refunding Bonds, issue of 1937, such remainders over and above the cost of debt service to be distributed to the State Roads Commission, 70%, and to Baltimore City, 30%, and

WHEREAS, On or about October 16, 1941, immediately upon receipt of the purchase money for the sale of \$9,000,000 State Roads Commission of Maryland Refunding and Improvement Bonds, the Commission will deposit with the Treasurer of Maryland the funds necessary to redeem and retire all of the outstanding Bonds of the Commission, Issue of 1937, so that the Cash Reserve Funds then on hand will no longer be required as security for this issue, and

WHEREAS, There is now in the hands of the Treasurer of Maryland, as a Cash

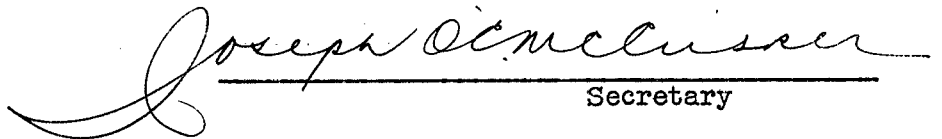
Reserve Funds, applicable to Refunding Bonds, Issue of 1937, the sum of \$345,000; there is likewise now in the hands of the Treasurer of Maryland, in a fund identified as "Cash from the Sale of Refunding Bonds", the sum of \$149,786.16. This latter aggregate amount of \$149,786.16 appears on the Fund Statement of the Commission as:

Cash Reserve, Refunding Bonds,	\$125,000.00
Fund to be applied in the redemption	
of Refunding Bonds	24,786.16.

NOW, THEREFORE, BE IT RESOLVED, that this Board now authorizes the transfer, on or about October 16, 1941, but only on condition that proceeds of the sale of State Roads Commission of Maryland Refunding and Improvement Bonds, to the extent necessary to redeem and retire, beginning October 16, 1941, State Roads Commission of Maryland Refunding Bonds, dated November 1, 1938, are placed in the hands of the Treasurer of Maryland for the purpose of so redeeming and retiring all of the outstanding Bonds of the issue of State Roads Commission of Maryland Refunding Bonds, of the sum of \$345,000 now in the hands of the Treasurer of Maryland as a reserve fund for the bonds to be redeemed, together with the sum of \$125,000 now in the hands of the Treasurer of Maryland identified as cash from the sale of Refunding Bonds, thus making available a total of \$470,000 from funds now in the hands of the Treasurer of Maryland, to the use of the State Roads Commission to be pledged as cash reserve funds supporting State Roads Commission of Maryland Refunding and Improvement Bonds to be dated October 1, 1941, in the aggregate principal amount of \$9,000,000.

Upon motion duly made and seconded, this Resolution was unanimously adopted.

There being no further business, the meeting was adjourned.

  
Secretary